

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

August 12, 2008

H.R. 3068

Federal Protective Service Guard Contracting Reform Act of 2008

As ordered reported by the Senate Committee on Homeland Security and Governmental Affairs on July 30, 2008

H.R. 3068 would direct the Department of Homeland Security (DHS) to issue regulations prohibiting firms owned, operated, or controlled by certain convicted felons from receiving contracts to provide guard services through the Federal Protective Service. The bill would allow DHS to determine which felonies would affect eligibility for such contracts and the terms and conditions under which exceptions could be granted. Finally, the legislation would require the Office of Federal Procurement Policy (OFPP) to report to the Congress on the merits of establishing similar guidelines governmentwide.

Based on information from DHS and OFPP, CBO estimates that implementing H.R. 3068 would cost less than \$500,000 over the 2009-2010 period, subject to the availability of appropriated funds. Enacting the legislation would not affect direct spending or revenues.

H.R. 3068 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would impose no costs on state, local, or tribal governments.

On August 27, 2007, CBO provided a cost estimate for H.R. 3068 as ordered reported by the House Committee on Transportation and Infrastructure on August 2, 2007. The two bills are similar in that they both deal with the awarding of guard services but have different provisions regarding the regulations and reporting requirements. The cost estimates reflect those differences.

The CBO staff contact for this estimate is Matthew Pickford. This estimate was approved by Peter H. Fontaine, Assistant Director for Budget Analysis.